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HOUSE RESOLUTION

REQUESTING THE DIRECTOR OF LABOR AND INDUSTRIAL RELATIONS TO CONVENE A TASK FORCE TO STUDY, DESIGN, AND DEVELOP A PAID FAMILY LEAVE PILOT PROGRAM.

WHEREAS, most workers, at some point in life, may need to take time off from work to care for an ill family member; and

WHEREAS, under the federal Family and Medical Leave Act of 1993, as amended, certain employees who work for employers with fifty or more employees are eligible for up to twelve weeks of unpaid job-protected leave for qualifying reasons, such as a serious health condition of the employee or certain family members of the employee or other qualifying events; and

WHEREAS, under the State's Family Leave Law, certain employees who work for employers with one hundred or more employees are eligible for up to four weeks of unpaid job-protected leave for qualifying reasons, which includes the birth or adoption of a child or to care for certain family members with a serious health condition; and

WHEREAS, the family leave provided under federal and state laws is mainly unpaid, and as of March 2018, only seventeen percent of workers in the United States had access to paid family leave through their employers; and

WHEREAS, a report published by the Aloha United Way in 2020 titled "ALICE in Hawai'i: A Financial Hardship Study", reported that despite the steady economic improvements in Hawaii from 2010 to 2018, during which the gross domestic product grew, the unemployment rate fell to historic lows, and wages rose, almost half of the families in Hawaii were struggling to make ends meet in 2018; and

WHEREAS, with such financial constraints, a majority of Hawaii's workforce cannot afford to take unpaid leave for family

2021-2326 HR HMSO caregiving purposes, whether it be to take care of an aging family member or to care for a newborn; and

WHEREAS, in November 2019, the AARP Public Policy Institute reported that as of 2017, there were approximately 157,000 unpaid family caregivers in Hawaii, and while the majority of family caregivers are women, there is a growing trend for men, especially adult sons, taking on family caregiving tasks for their aging parents, other older relatives, or close friends; and

WHEREAS, forty-four percent of male family caregivers reported moderate to high financial strain as a result of caregiving; and

WHEREAS, the need for leave to care for elderly family members in Hawaii is expected to increase, as the Department of Business, Economic Development, and Tourism projected in June 2018 that the percentage of residents aged sixty-five years and older, which constituted 17.1 percent of the State's population in 2016, is expected to rise to 19.1 percent in 2020, and to 22.6 percent in 2030; and

WHEREAS, as of January 2021, nine states, including California, Colorado, Connecticut, Massachusetts, New Jersey, New York, Oregon, Rhode Island, and Washington, and the District of Columbia have enacted paid family and medical leave laws; and

WHEREAS, the federal Family and Medical Leave Act of 1993 was amended in 2020 to allow certain covered federal civilian employees up to twelve weeks of paid parental leave in connection with the birth of a child or placement of a child for adoption or foster care occurring on or after October 1, 2020; and

WHEREAS, Act 109, Session Laws of Hawaii 2018, began the groundwork to establish a paid family leave framework in the State by requiring the Legislative Reference Bureau to analyze the impacts of establishing a paid family leave program on certain industries, consumers, employees, employers, and caregivers that would enable the Legislature to choose a model or framework that will work best for Hawaii's workforce; and

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WHEREAS, in December 2019, the Legislative Reference Bureau issued its Paid Family Leave Program Impact Study, which projected the costs and staffing required to establish and maintain a paid family leave system in Hawaii under three social insurance models:

(1) A system funded exclusively by the State, such as a state-administered insurance fund;

(2) A system that allows private plans to opt-out; and

 (3) A system in which the State's role is limited to governance of a system that is highly regulated and reliant on private markets or an insurance fund, or an employer mandate, such as the State's Temporary Disability Insurance Program; and

WHEREAS, the following table shows the resources necessary to implement each model:

	C		
	State System	State System	Highly
	Funded	with Opt-Out	Regulated
	Exclusively by	for Private	Private
	State	Plans	Market,
			Insurance
			Fund, or
			Employer
			Mandate
Start-up			
Cost	\$1,100,000	\$1,100,000	\$660,000
On-Going			
Support Cost	\$2,623,669	\$2,618,078	\$1,102,875
Support			
Staffing	22.5 positions	22 positions	7.5 positions

; and

WHEREAS, the study further reported that regardless of which paid family leave model is adopted, there are pertinent policy aspects that will need to be determined, such as the benefit amount and wage replacement ratio; length of leave, including maximum weeks of leave for bonding and family caregiving; employer and employee eligibility; covered family

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relationships; whether to provide job protection; and more; now, therefore,

BE IT RESOLVED by the House of Representatives of the Thirty-first Legislature of the State of Hawaii, Regular Session of 2021, that the Director of Labor and Industrial Relations is requested to convene a task force to study, design, and develop a Paid Family Leave Pilot Program with coverage limited to certain employers and employees to be established and implemented by the Department of Labor and Industrial Relations as a trial program that could eventually be expanded to cover all public and private sector workers in the State; and

BE IT FURTHER RESOLVED that the task force is requested to include the following members:

(1) The Director of Labor and Industrial Relations or the Director's designee, who is requested to serve as the chairperson;

(2) The Director of Human Resources Development or the Director's designee;

(3) The Director of Finance or the Director's designee;

(4) The Attorney General or the Attorney General's designee;

(5) The Mayor of the County of Hawaii or the Mayor's designee;

(6) The Mayor of the City and County of Honolulu or the Mayor's designee;

(7) The Mayor of the County of Kauai or the Mayor's designee;

(8) The Mayor of the County of Maui or the Mayor's designee;

1 2 3 4	(9)	One representative of a children's advocacy organization in Hawaii to be appointed by the Speaker of the House of Representatives;
5 6 7 8	(10)	One representative of a women's advocacy organization in Hawaii to be appointed by the President of the Senate;
9 10 11 12	(11)	Two representatives from public sector labor organizations in Hawaii, one to be appointed by the President of the Senate and one to be appointed by the Speaker of the House of Representatives;
14 15 16	(12)	One representative from a private sector labor organization in Hawaii to be appointed by the Governor;
18 19 20	(13)	One representative of the Hawaii insurance industry to be appointed by the Governor;
21 22 23	(14)	One representative of a business organization in Hawaii to be appointed by the President of the Senate;
24 25 26 27	(15)	One representative of a small business organization in Hawaii to be appointed by the Speaker of the House of Representatives; and
28 29 30	(16)	Any other organization or agency deemed necessary by the task force; and
31 32 33 34 35	submit a and its for the second secon	T FURTHER RESOLVED that the task force is requested to report describing the progress made by the task force indings and recommendations, including any proposed on, to the Legislature no later than twenty days prior nvening of the Regular Session of 2023; and
36 37	BE I	T FURTHER RESOLVED that the report include:
38 39 40 41 42	(1)	Data on the amount of leave generally taken or, if there is no data, the amount of leave deemed generally necessary by health care providers for qualifying reasons that are not based on the serious health

1 2 3 4 5 6 7 8		memb birt or f Leav take	dition of the employee or the employee's family bers, such as the amount of leave taken for the ch of a child or placement of a child for adoption coster care under the federal Family and Medical re Act and the State's Family Leave Law, and leave an to bond with a newly born or newly placed child er the federal Family and Medical Leave Act;	
9 10 11 12	(2)	Identification of issues related to the establishment and implementation of the Paid Family Leave Pilot Program;		
13 14 15	(3)		ommendations for the basic structure of the Paid ly Leave Pilot Program, including but not limited	
16 17 18 19		(A)	Coverage of employers, such as industry sectors and geographic regions;	
20 21 22 23		(B)	Eligibility criteria for employees, such as a minimum amount of time worked or earnings achieved;	
24		(C)	Benefit amounts and wage replacement ratio;	
25 26 27 28		(D)	Length of leave, including maximum weeks of leave, for bonding and family caregiving;	
29 30		(E)	Qualifying events;	
31 32		(F)	Covered family relationships;	
33 34		(G)	Whether to provide job protection;	
35 36 37		(H)	Interaction with the State's Temporary Disability Insurance Program;	
38 39		(I)	The administrative structure; and	
40		(.T)	Claims management.	

- (4) Impacts and estimated costs of establishing and implementing the Paid Family Leave Pilot Program, including but not limited to the fiscal and administrative impacts on the State and the impacts on public sector collective bargaining and civil service laws; and

(5) Opportunities and challenges of expanding the Paid Family Leave Pilot Program to the State's entire workforce; and

BE IT FURTHER RESOLVED that certified copies of this Resolution be transmitted to the Governor, Director of Labor and Industrial Relations, Director of Human Resources Development, Director of Finance, Attorney General, Mayor of the County of Hawaii, Mayor of the City and County of Honolulu, Mayor of the County of Kauai, and Mayor of the County of Maui.

OFFERED BY:

MAR 1 1 2021